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Report

drawn up on behalf of the Committee on Social Affairs, Employment and
Education

on the recommendation of the Commission (Doc. 300/76) concerning the
/progressive extension of social protection to categories of persons not covered by
existing schemes or inadequately protected

Rapporteur: Mr D. CREED

PE 46.710/fin.

By letter of 17 September 1976, the Commission of the European Communities optionally requested the European Parliament to deliver an opinion on the recommendation of the Commission concerning the progressive extension of social protection to categories of persons not covered by existing schemes or inadequately protected.

The President of the European Parliament referred this recommendation to the Committee on Social Affairs, Employment and Education on 24 September 1976.

On 30 September 1976 the Committee on Social Affairs, Employment and Education appointed Mr D. CREED rapporteur.

At its meeting of 23-24 November 1976 the committee considered the draft report and unanimously adopted the motion for a resolution.

Present: Mr van der Gun, chairman; Mr Galluzzi, vice-chairman; Mr Creed, rapporteur; Mr A. Bertrand (deputizing for Mr Pêtre), Mr Caro, Mrs Cassanmagnago Cerretti, Mrs Dunwoody, Mr Granelli, Mr Härzschel, Mrs Kellett-Bowman, Mr Meintz, Lord Murray of Gravesend (deputizing for Mr Kavanagh) and Mr Pisoni.

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The Committee on Social Affairs, Employment and Education hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement :

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the recommendation of the Commission concerning the progressive extension of social protection to categories of persons not covered by existing schemes or inadequately protected.

The European Parliament,

- having been optionally consulted by the Commission of the European Communities (Doc. 300/76);
- having regard to the report of the Committee on Social Affairs, Employment and Education (Doc. 444/76);
- 1. Appreciates the Commission's initiative which is a commendable expression of Community solidarity with the most underprivileged groups of the Community;
- 2. Regrets that the Commission has merely chosen a non-binding recommendation form for a proposal of the greatest importance to that social group which is the most socially disadvantaged in all countries;
- 3. Expresses its disappointment that the Commission, referring to usual practice in the Member States, proposes only a gradual extension of protection, since it is the Commission's responsibility to take the lead;
- 4. Supports in principle an extension to the entire population of that protection which most of its members are already accorded with regard to health care, old age, invalidity and family benefits since the social groups excluded are precisely those who suffer the greatest social disadvantages;
- 5. Urges the Commission to recommend to the Member States that this protection should continue to operate also after employment has had to be terminated on legitimate grounds;

6. Agrees to the extension of social protection to those engaged in unpaid household duties but is perplexed by the Commission's reference to their numerical importance as a reason for this since the decisive factor must be their special need;
7. Considers it unreasonable that the Commission includes self-employed persons obliged to abandon their occupation for economic reasons in the group of persons completely unable to exercise a gainful activity, since the former ought to be in the same position as the rest of the work force even when they have ceased work;
8. Supports whole-heartedly the recommendation that implementation of the proposals should imply equality for men and women but wishes to point out that it should be stated in unambiguous terms that the recommendation refers not only to housewives but to all those engaged in unpaid household duties and that the group of self-employed also includes any wife who works in her husband's business;
9. Invites the Commission to report every two years on the progress made in extending social protection so that Parliament can check the adequacy of the measures taken on behalf of groups not yet protected.

EXPLANATORY STATEMENTI. INTRODUCTION

1. This recommendation originates from Action 119 of the social action programme¹ in which the Commission set itself the aim of erasing the pockets of poverty and hardship which still exist throughout the Community by extending social protection to those people not covered or inadequately provided for under existing schemes.

The Commission stated at that time that certain categories of persons were simply not provided for in some countries and that sometimes social insurance was inadequate in scope since it left certain basic types of medical treatment uncovered.

It was against this background that the Commission promised to put forward a programme before the end of 1974 which would involve a series of measures, together with a costing and financing schedule, to be implemented in stages up until 1980.

2. Meanwhile however, the Council has adopted a Resolution concerning a social action programme² which has a vaguer turn of phrase: 'gradually to extend social protection, particularly within the framework of social security schemes, to categories of persons not covered or inadequately provided for under existing schemes'.

3. It is nevertheless disappointing that these measures are merely the subject of a 'recommendation'. Article 189 of the EEC Treaty states that recommendations have no binding force and in view of the fact that this proposal is of primary importance to those groups at the bottom of the social scale in every country, a directive, requiring the Member States to pursue certain objectives, would in our committee's opinion have been the correct legal form.

4. The European Parliament has for a long time taken an unfavourable attitude towards non-binding 'communications' and 'recommendations'. For example, point 5 of the motion for a resolution included in the report drawn up by Mr DONDELINGER on behalf of the Committee on Social Affairs

¹ COM(73) 1600 final, 24.10.1973

² OJ No. C 13, 12.2.1974, p.3

and Employment on the Commission's communication concerning pilot schemes and studies to combat poverty¹ reads:

'Regrets, however, that the programme has been submitted by the Commission in the form of a mere communication rather than a Council decision'.

This point drew great support during the plenary debate² and the result of this was that the Commission amended its proposal³ to make it a proposal for a Council decision which the Committee on Social Affairs and Employment approved with satisfaction⁴ and which was welcomed on all sides in the course of the subsequent plenary debate⁵.

5. With this in mind and in view of the wide scope of this proposal, our committee considers that once again it is reasonable to demand a binding form instead of a recommendation.

6. A legal basis for this may be found in Article 235 of the EEC Treaty since this is clearly a case of attaining one of the objectives of the Community, namely that which in Article 2 of the Treaty is given as 'an accelerated raising of the standard of living'.

7. These critical observations should not be allowed to overshadow the fact that this is a very important initiative and a commendable expression of the Community's solidarity with the underprivileged. The criticism, which is often justifiably made of the Community, that it is concerned principally with common growth and hence with the citizen merely as a factor of production, will hardly be silenced by the present recommendation but it will be less justified.

8. The European Parliament has itself adopted this view as exemplified by a speech made by Mr SANTER during the debate on a programme to combat poverty⁶. He said: 'This programme introduces a new dimension into Community social policy in that it constitutes the first manifestation of Community solidarity towards the social categories who, for various reasons, are unable to share in the economic and social progress of our society'.

¹ Doc. 4/75

² OJ Annex No. 189, April 1975, p.172 ff

³ COM(75) 172 final

⁴ Doc. 77/75

⁵ OJ Annex No. 191, May 1975, p. 32 ff

⁶ OJ Annex No. 189, April 1975, p.179

9. It is the hope of the Committee on Social Affairs, Employment and Education that in future this solidarity will be manifested even more frequently.

II. DISCUSSION OF THE RECOMMENDATION

10. The Commission begins by stating that the action which it contemplates - allowing the many diverse groups concerned (the handicapped, housewives, students, the self-employed etc.) the benefit of the various social protection arrangements - can only be realized in stages. It is of course a shame that the Commission has not aimed higher but the committee accepts that its attitude reflects the realities of the situation.

11. The measures proposed by the Commission concern in the first instance an extension to the entire working population of the protection which most of the active population is already accorded as regards health care, old age, invalidity and family benefits.

Our committee can only support this since there can hardly be any argument for excluding these social groups, including the self-employed, home workers and temporaries, from social protection arrangements of which they, as (in many cases) socially disadvantaged groups, have particular need. Moreover, it ought to be stated in precise terms that this protection is to continue ~~also~~ in cases where employment is terminated on legitimate grounds.

12. The Commission proposes that groups of persons who are not part of the active population should only progressively be granted coverage against the contingencies of sickness and old age, and family benefits.

Regret has already been expressed at the fact that this is only to happen in stages and the Commission's argument for this, namely that it is only by stages that the present social security systems of the Member States have been developed, seems rather unconvincing and reactionary.

The groups which in the first phase will be assured analagous but not identical protection to that of the first group, are defined by the Commission as persons with congenital handicaps, physical or mental, and those mainly engaged in unpaid household duties. The Commission explains the inclusion of the latter by referring to their numerical importance in the population; but while our committee agrees in principle with the extension of social protection

to housewives, it has difficulty in understanding why a group's numerical importance and not for example its special need should be a decisive factor for its inclusion in the proposal.

13. There remains that group which finds it impossible to exercise a gainful activity, including invalids and young people in search of employment who are not eligible for unemployment benefits. The Commission also includes in this group self-employed persons obliged to abandon their occupation for economic reasons, which must be a mistake because they are already included in the first group.

However, the Commission does not propose that this third group of invalids and unemployed should be granted protection as regards health care, old age and family benefits, but only those benefits provided under the social security system in cases of invalidity or unemployment. This seems quite unreasonable and in our committee's opinion this group should at least be granted family benefits.

14. The Commission's proposal ends by drawing attention to some points which in our committee's opinion require further comment.

15. First of all, the Commission recommends that in the implementation of these proposals no discrimination should be made between men and women. Our committee is in complete agreement with this and points out that it should be stated in unambiguous terms that the proposal refers not only to housewives but to all those engaged in unpaid household duties and that the group of self-employed also covers any wife who works in her husband's business.

16. The Commission also states that the recommendation deals with the period up until 31 December 1980, and that not all social groups are covered by it.

The Committee on Social Affairs, Employment and Education calls upon the Commission to report every two years on which groups will continue to be excluded from social protection and what measures are contemplated for bringing them within the scope of social security arrangements.

17. Unfortunately, the Commission does not give any exact figures on the size of the groups still excluded from social protection in the various Member States. Since there are certainly large differences between one Member State and another, it would have been valuable to know the precise situation in order to have a fuller picture of the scope of the action contemplated and to be able to foresee what this recommendation is likely to achieve.